

PERIOD OF MEMORANDUM OF AGREEMENT

July 1, 2011 – June 30, 2013 (Accept City proposal dated April 8, 2011)

Term: 24 months

WAGES

Accept City proposal dated April 8, 2011 (attached)

HEALTH INSURANCE COST SHARING

Accept the continuation of 85/15 cost sharing per the terms of the April 27, 2010 Last, Best and Final Offer

HEALTH INSURANCE DUAL COVERAGE

Accept the continuation of the April 27, 2010 Last, Best and Final Offer and City proposal dated April 8, 2011 (attached)

HEALTH CARE HMO PLAN DESIGN

Accept the continuation of co-pays per the terms of the April 27, 2010 Last, Best and Final Offer

HEALTH AND DENTAL IN LIEU

Accept the continuation of the April 27, 2010 Last, Best and Final Offer and City proposal dated April 8, 2011 (attached)

SICK LEAVE PAYOUT

Revert back to wording (Section 18.1-18.4) in last MOA and add 18.5 (See language in ABMEI Proposal)

DISABILITY LEAVE SUPPLEMENT

Accept City proposal dated April 8, 2011 with minor language change. (See language in ABMEI Proposal)

OVERTIME CALCULATION

Revise contract language to add the definition of "Mandatory Overtime" (See language in ABMEI Proposal)

CONTINUED PROFESSIONAL TRAINING

Accept City proposal dated April 8, 2011 (attached)

PUBLIC TRANSIT SUBSIDY

Accept City proposal to IBEW dated April 14, 2011 (attached)

SIDE LETTERS Accept City proposal's dated April 8, 2011 with minor language change on some. (See language in ABMEI Proposal)

- Retirement benefits for future employees and retiree healthcare for current and future employees
- Lavoffs
- Supplemental Retiree Benefit Reserve (SRBR)
- Sick Leave Payoff

In the event that this package proposal is not accepted in its entirety, ABMEI reserves the right to modify, amend, withdraw and/or add proposals.

CITY PROPOSAL: PERIOD OF MEMORANDUM OF AGREEMENT

Proposed Language:

This Agreement shall become effective July 1, 2011 except where otherwise provided, and shall remain in effect through June 30, 2013. No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representative(s) of the parties.

It is the mutual desire of the parties to conclude the meet and confer process as early as possible prior to the expiration of this Agreement. Therefore, it is agreed that the parties will exchange initial written proposals no later than the first day of August February immediately prior to the expiration of this agreement.

The parties shall then set the first meeting of the meet and confer process at their mutual convenience as soon thereafter as possible. At this first meeting the parties may establish a final date for submission of additional proposals.

This language is intended to replace the language in:

Article 1 of the ABMEI Memorandum of Agreement

City of San Jose March 16, 2011

A contract term of two years provides both the employee and the City a more predictable basis for budgeting purposes. It also allows the parties sufficient time to meet and confer on the many significant issues deferred during these contract negotiations and identified in the Side Letters to this agreement.

CITY PROPOSAL – WAGES

Proposed Language:

Effective June 27, 2010, all salary ranges for employees holding positions in classifications assigned to ABMEI (Union Code 03/031) shall be decreased by approximately 4.65%.

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to ABMEI (Union Code 03/031) shall be decreased approximately by an additional 5.45%. This will result in the top and bottom of the range of all classifications represented by ABMEI (Union Code 03/031) being an additional 5.45% lower. All employees will receive an additional 5.45% base pay reduction.

This language is intended to replace the language in:

 Article 5.1.1 of the ABMEI Memorandum of Agreement (replaces Section 5.1.1 as approved by the City Council on April 27, 2010, via the Pay proposal in the City's Last, Best, and Final Offer)

> City of San Jose March 9, 2011

The membership of ABMEI has made significant sacrifices during the past 24 months in an effort to avoid additional layoffs and to address the City's budget deficits (including 26 unpaid furlough days and a 5% reduction in base wages). The 10.1% wage reduction contained in this proposal is the primary component in achieving the City Council's objective of a 10% reduction in overall compensation.

CITY PROPOSAL – HEALTHCARE DUAL COVERAGE

Proposed Language:

An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

• Article 5.3.1 of the ABMEI Memorandum of Agreement (replaces Section 5.3.1)

Proposed Language:

An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

Article 5.4.1 of the ABMEI Memorandum of Agreement (replaces Section 5.4.1)

City of San Jose March 9, 2011

CITY PROPOSAL: HEALTH AND DENTAL IN LIEU

Proposed Language:

5.5.4 A City employee who receives healthcare coverage as a dependent of another City employee <u>or retiree</u> shall be deemed not eligible for family coverage.

This language modifies Article 5.5.4 as contained in the April 27, 2010 "Last, Best and Final Offer"

City of San Jose March 9, 2011

SICK LEAVE PAYOUT

Revert back to wording (Section 18.1-18.4) in last MOA and add Section 18.5 (see below)

18.5 The above sections shall become effective March 15, 2011.

ABMEI PROPOSAL: DISABILITY LEAVE SUPPLEMENT

<u>Proposed Language:</u>

- 19.5 Ineligibility if Offer and Decline of Temporary Modified Duty. ,An employee shall be voluntarily separated from City service if the City offers the employee temporary modified duty at a salary equal to or within 5%, within the employee's medical limitations, and the employee refuses or fails to accept duty for which the employee is physically qualified.
- 19.6 Maximum Term of Disability Leave Supplement. The employee will receive DLS benefits equal to the amount of money which, when added to the WCTD equals 85% of what the employee would have earned at the position from which the employee is disabled for one of the following time periods, whichever is shortest:
 - 1. The time the employee is medically required to be absent due to a work-related injury or illness, after the required 3-day waiting period.
 - 2. The period of time WCTD is payable .to the employee under the Workers' Compensation provisions of Division 1 or Division 4 of the Labor Code of the State of California.
 - 3. Six (6) Three (3) calendar months (1040 520 hours if not continually absent) following the date of injury.
 - 19.6.1 Time Limit for DLS Eligibility. After 4040 520 hours of DLS, the employee is entitled to no additional compensation for the injury or illness. No employee shall be eligible for DLS 5 years after the date of the onset of the injury or illness for which the employee is claiming DLS.
- 19.11 <u>Integration</u>: After the maximum time limit specified in Article 19.6, the integration of an employee's available leave will occur at the employee's discretion.
 - In no event shall an employee receive an amount, including any Workers'
 Compensation Temporary Disability payments, in excess of the employee's regular base salary.

ARTICLE 6 HOURS OF WORK AND OVERTIME

Proposed Language:

- 6.6 An employee authorized or required to work overtime who works in excess of eight (8) hours per day, or ten (10) hours per day if assigned to a work schedule of four (4) ten (10) hour work days, or in excess of forty (40) hours per work week, shall be compensated at the rate of one and one half (1 1/2) times the employee's hourly rate, except when such excess hours result from a change in such employee's work week or shift or from the requirement that such employee fulfill his/her work week requirement.
 - 6.6.1 Notwithstanding 6.6 above, any employee who works in excess of twelve consecutive hours shall be compensated at the rate of two (2) times the employee's hourly rate for all hours worked in excess of twelve (12) consecutive hours.
- For overtime work, volunteers will be asked for first, whenever possible. For overtime work, volunteers will be asked for first. If there are no volunteers, we will be given 48 hours notice for mandatory overtime. If overtime is cancelled less than 48 hours before mandatory overtime is to be worked, we will get paid for half the mandatory overtime that was required or one-half (1/2) hour which ever is greater.
 - 6.6.2.1 Exception: 48 hour notice is not required for natural disaster (i.e. earthquake, flood, etc.).

ABMEI PROPOSAL: CONTINUED PROFESSIONAL TRAINING

Proposed Language:

The Department of Planning, Building, and Code Enforcement shall endeavor to provide up to twenty-four (24) hours of training per fiscal year, as is relevant to each inspector employed in the Department of Planning, Building, and Code Enforcement. Such training shall be scheduled at the discretion of the Director of Planning, Building, and Code Enforcement and employees shall be compensated at the appropriate rate for attendance at the training.

ABMEI shall make recommendations regarding training needs and advise the Department Director and the training committee of specific training opportunities.

This language shall be added as

Article 31 of the ABMEI Memorandum of Agreement.

PUBLIC TRANSIT SUBSIDY

Proposed Language:

ECO-Pass: After calendar year 2011, the City will no longer provide employees an ECO-Pass. This means that any employee in possession of a 2011 ECO-Pass provides by the City may continue its use through calendar year 2011. Beginning calendar year 2012, the city will cease providing an ECO-Pass.

Commuter Check

Program:

Vouchers will no longer be available to employees for purchase from the City. This means that the subsidized Commuter Check Voucher Program is eliminated after the current supply of Commuter Check Vouchers is exhausted.

RETIREMENT REFORM

The City and the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) agree to continue meeting and conferring on pension and retiree healthcare benefits for current and future employees, including but not limited to healthcare benefits. The negotiations may include modification of healthcare (medical and dental) plans available to current employees, including but not limited to plan design.

Either the City or ABMEI may provide notice to the other of its request to continue to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or ABMEI receives notice from the other. The City and ABMEI shall continue to meet and confer in good faith in an effort to reach a mutual agreement.

If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including application of the vested benefits doctrine.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and ABMEI.

LAYOFF

The City or the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) may provide notice to the other of its request to meet and confer on modifications to the City's layoff process and procedure, including the provisions of the Layoff article in the Memorandum of Agreement. Upon such notice, the parties shall meet within ten (10) calendar days after the City or ABMEI receives notice from the other. The City and ABMEI shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or ABMEI may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or ABMEI receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and ABMEI shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including application of the vested benefits doctrine.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

SICK LEAVE PAYOFF

The City and the Association of Building, Mechanical and Electrical Inspectors (ABMEI) agree to continue meeting and conferring on sick leave payoff (Article 18.2 through Article 18.4, in addition to any other changes approved by City Council on April 27, 2010, via the Sick Leave Payout proposal in the City's Last, Best and Final Offer) for current and future employees.

Either the City or ABMEI may provide notice to the other of its request to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or ABMEI receives notice from the other. The City and ABMEI shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including application of the vested benefits doctrine.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and ABMEI.